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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
October 1999

(All figures in text below are in seasonally adjusted current dollars)

NEW ORDERS New orders for manufactured durable goods in October decreased \$2.5 billion or 1.3 percent to \$200.9 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 1.9 percent September decrease. Excluding transportation, new orders decreased 2.6 percent. Year-to-date, new orders are 6.9 percent above the same period a year ago.

Electronic and other electrical equipment had the largest decrease, \$5.9 billion or 15.3 percent to \$32.3 billion. This is the largest decrease since July 1997. Primary metals, down three consecutive months, decreased \$0.1 billion or 0.7 percent to \$15.3 billion. Transportation equipment, up five of the last six months, increased \$1.6 billion or 3.4 percent to \$48.3 billion, due to aircraft and parts. Industrial machinery and equipment increased \$1.1 billion or 2.8 percent to \$40.0 billion.

SHIPMENTS Shipments of durable goods in October increased \$1.5 billion or 0.7 percent to \$203.3 billion, following a 1.9 percent September decrease. This is the fifth increase in the last six months. Year-to-date, shipments are 6.2 percent above the same period a year ago.

Industrial machinery and equipment had the largest increase, \$2.2 billion or 5.8 percent to \$39.9 billion. This is the largest increase since July 1987. Transportation equipment decreased \$0.5 billion or 1.1 percent to \$48.1 billion. Electronic and other electrical equipment, down three consecutive months, decreased \$0.4 billion or 1.1 percent to \$34.9 billion. Primary metals, down for the first time since April, decreased \$0.1 billion or 0.7 percent to \$15.2 billion.

UNFILLED ORDERS Unfilled orders for durable goods in October decreased \$2.4 billion or 0.5 percent to \$497.2 billion, following a 0.3 percent September increase. This is the first decrease since June. Electronic and other electrical equipment, down for the first time since November 1998, had the largest decrease, \$2.6 billion or 3.5 percent to \$72.3 billion. This is the largest decrease since July 1997. Transportation equipment, up for the first time since January, increased \$0.2 billion or 0.1 percent to \$226.5 billion. Industrial machinery and equipment, up four consecutive months, increased \$0.1 billion or 0.2 percent to \$80.9 billion. Primary metals, up nine consecutive months, increased \$0.1 billion or 0.3 percent to \$32.2 billion.

CAPITAL GOODS INDUSTRIES, DEFENSE New orders in October increased \$2.7 billion or 54.1 percent to \$7.7 billion. This is the largest increase since November 1996. Shipments increased \$0.2 billion or 3.6 percent to \$6.7 billion. Unfilled orders increased \$1.0 billion or 1.1 percent to \$92.0 billion. This is the first increase since March.

CAPITAL GOODS INDUSTRIES, NONDEFENSE New orders in October decreased \$0.5 billion or 0.9 percent to \$55.8 billion. Shipments increased \$2.0 billion or 3.7 percent to \$56.9 billion. This is the largest increase since September 1998. Unfilled orders, down seven of the last eight months, decreased \$1.1 billion or 0.5 percent to \$250.9 billion. Excluding aircraft and parts, new orders decreased \$0.3 billion or 0.6 percent to \$48.9 billion; shipments increased \$1.4 billion or 3.0 percent to \$48.8 billion; and unfilled orders increased \$0.1 billion or 0.1 percent to \$111.7 billion.

REVISED SEPTEMBER DATA Revised seasonally adjusted September figures for all manufacturing industries are: shipments, \$358.6 billion (revised from \$358.9 billion); new orders, \$359.9 billion (revised from \$361.1 billion); unfilled orders, \$524.5 billion (revised from \$525.5 billion); and total inventories, \$465.5 billion (revised from \$465.3 billion).

Our internet site address is: <http://www.census.gov/indicator/www/m3>

Table 1. **DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS**
(Millions of dollars)

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change Oct.99/98
	Oct. 1999 ²	Sept. 1999 ²	Aug. 1999	Sept.- Oct. ²	Aug.- Sept. ²	July- Aug.	Oct. 1999 ²	Sept. 1999 ²	Oct. 1998	
DURABLE GOODS										
Total :										
Shipments	203,316	201,814	205,709	+0.7	-1.9	+1.2	208,050	219,068	199,125	+4.5
New orders	200,931	203,478	207,446	-1.3	-1.9	+0.9	209,515	216,111	197,533	+6.1
Unfilled orders	497,168	499,553	497,889	-0.5	+0.3	+0.4	497,043	495,578	499,520	-0.5
Excluding defense :										
Shipments	196,618	195,346	199,241	+0.7	-2.0	+1.3	201,287	212,226	192,122	+4.8
New orders	193,193	198,458	202,398	-2.7	-1.9	+1.7	202,101	211,148	191,798	+5.4
Unfilled orders	405,198	408,623	405,511	-0.8	+0.8	+0.8	407,113	406,299	405,346	+0.4
With unfilled orders :										
Shipments	168,031	165,679	168,889	+1.4	-1.9	+1.4	169,936	180,934	162,408	+4.6
New orders	165,646	167,343	170,626	-1.0	-1.9	+1.1	171,401	177,977	160,816	+6.6
Primary metals :										
Shipments	15,199	15,310	15,204	-0.7	+0.7	+2.0	15,582	15,861	14,935	+4.3
New orders	15,307	15,418	15,659	-0.7	-1.5	-0.5	14,944	15,206	13,123	+13.9
Unfilled orders	32,167	32,059	31,951	+0.3	+0.3	+1.4	30,511	31,149	27,850	+9.6
Industrial machinery and equipment:										
Shipments	39,892	37,710	38,691	+5.8	-2.5	-1.9	38,764	41,593	35,476	+9.3
New orders	40,035	38,942	39,110	+2.8	-0.4	-2.8	39,591	42,757	34,785	+13.8
Unfilled orders	80,853	80,710	79,478	+0.2	+1.6	+0.5	80,880	80,053	74,156	+9.1
Electronic and other electrical equipment :										
Shipments	34,929	35,313	35,339	-1.1	-0.1	-0.1	34,923	40,428	32,427	+7.7
New orders	32,340	38,204	38,616	-15.3	-1.1	+1.7	36,684	40,903	37,676	-2.6
Unfilled orders	72,327	74,916	72,025	-3.5	+4.0	+4.8	75,964	74,203	62,795	+21.0
Transportation equipment :										
Shipments	48,054	48,591	50,980	-1.1	-4.7	+4.4	51,373	51,594	51,680	-0.6
New orders	48,291	46,719	49,000	+3.4	-4.7	+3.7	51,293	49,103	48,013	+6.8
Unfilled orders	226,549	226,312	228,184	+0.1	-0.8	-0.9	224,833	224,913	246,459	-8.8
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	63,585	61,336	63,755	+3.7	-3.8	+1.7	61,191	68,584	58,415	+4.8
New orders	63,490	61,289	61,471	+3.6	-0.3	-0.1	61,273	67,966	54,188	+13.1
Unfilled orders	342,907	343,002	343,049	0.0	0.0	-0.7	340,787	340,705	357,115	-4.6
Nondefense :										
Shipments	56,887	54,868	57,287	+3.7	-4.2	+2.1	54,428	61,742	51,412	+5.9
New orders	55,752	56,269	56,423	-0.9	-0.3	+2.5	53,859	63,003	48,453	+11.2
Unfilled orders	250,937	252,072	250,671	-0.5	+0.6	-0.3	250,857	251,426	262,941	-4.6
Excluding aircraft and parts :										
Shipments	48,804	47,368	47,915	+3.0	-1.1	-1.8	46,867	53,808	43,008	+9.0
New orders	48,910	49,208	47,770	-0.6	+3.0	-2.0	47,539	55,508	41,826	+13.7
Unfilled orders	111,697	111,591	109,751	+0.1	+1.7	-0.1	111,617	110,945	106,035	+5.3
Defense :										
Shipments	6,698	6,468	6,468	+3.6	0.0	-1.8	6,763	6,842	7,003	-3.4
New orders	7,738	5,020	5,048	+54.1	-0.6	-22.1	7,414	4,963	5,735	+29.3
Unfilled orders	91,970	90,930	92,378	+1.1	-1.6	-1.5	89,930	89,279	94,174	-4.5

(NA) Not available. ² Revised.

¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

² Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(96), "Manufacturers' Shipments, Inventories, and Orders: 1987-1996."

³ The Capital Goods Industries include Nondefense : ordnance and accessories, steam engines and turbines, internal combustion engines, construction mining and material handling equipment, metalworking machinery, special industry machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial apparatus, communication equipment, complete aircraft, missiles, and space vehicles, aircraft missiles, and space vehicle engines and parts, ships and tank components, railroad equipment, and search and navigation equipment.

Defense capital goods include : ordnance, communication equipment, aircraft, missiles, space vehicles, and parts, ships, tanks and tank components, search and navigation equipment.

Table 2. **AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES**
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Oct. 1998	Oct. 1994-1998	Oct. 1998- Sept. 1999	Year ago Oct. 1998	Oct. 1994-1998	Oct. 1998- Sept. 1999	Year ago Oct. 1998	Oct. 1994-1998	Oct. 1998- Sept. 1999
Durable goods	0.1	0.2	1.0	0.4	0.4	0.8	0.1	0.2	0.5
Primary metals	0.4	0.4	1.1	0.3	0.9	0.7	0.1	0.4	1.0
Industrial machinery and equipment	0.2	0.3	1.6	0.3	0.6	0.9	0.2	0.4	0.9
Electronic and other electrical equipment	0.3	0.3	1.3	0.5	1.0	1.6	0.5	0.5	0.9
Transportation equipment	0.4	0.3	3.6	1.1	0.9	1.8	0.1	0.1	0.6
Nondefense capital goods	0.6	0.2	2.4	1.0	0.8	1.2	0.1	0.2	0.6
Defense capital goods	0.7	0.7	2.7	0.3	3.8	7.3	0.1	0.2	1.1

Note : The revisions are the differences between the month-to-month percent changes of the advance and final estimates. The monthly averages are the simple averages of the differences, without regard to sign, for the months specified.